

Functional Leadership Plan Office of Procurement

Submitted:

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FUNCTIONAL LEADERSHIP PLAN

OFFICE OF PROCUREMENT

I. INTRODUCTION

This is the NASA Office of Procurement's Functional Leadership Plan as required by the NASA Strategic Management Handbook. The Plan describes the Office's overall purpose and direction including goals, objectives, and performance metrics used to assess success. It also describes the Office of Procurement's major initiatives.

II. MISSION

The Office of Procurement provides functional management, leadership, and policy direction of procurement and financial assistance activities (excluding Space Act Agreements) for the entire Agency.

III. GOAL

The goal of the Office of Procurement is to help the Agency execute its mission successfully by effectively and efficiently managing the acquisition process.

IV. OBJECTIVES

The Office of Procurement has three primary objectives by which it achieves its goal and provides functional leadership for the Agency. These are:

- To help customers plan acquisitions and get what they need at fair and reasonable prices, when they need it, using the best methods and tools; ensuring adherence to high standards of professional integrity
- To continuously improve the Agency acquisition process, anticipating evolving Agency needs, with particular attention to improving contract management
- To develop the people (and related infrastructure) geared to aggressively pursue the acquisition opportunities and challenges the Agency faces in the decades to come

V. METRICS/INDICATORS OF SUCCESS

- Customer feedback - The Office of Procurement annually conducts three electronic surveys of procurement customers. One survey is sent to Center procurement offices' technical customers to assess how well those offices are satisfying their customers' procurement requirements. The other two surveys are used to measure how well the Office of Procurement is meeting its customers' needs. One is sent to Center procurement personnel, and the other to customers at Headquarters and senior Center management. Survey results are used to assess Code H's performance and to identify opportunities for improvement.
- Self-evaluations - The Office of Procurement conducts surveys of each NASA procurement office every three years under the authority of NASA Handbook 1101.3, "The NASA Organization". Surveys include a review of procurement offices' progress in implementing initiatives such as performance-based contracting and the Consolidated Contracting Initiative, which should reduce the amount of resources—cost and/or personnel—required by NASA projects and programs. In addition, when the need arises, the Office of Procurement conducts special focus surveys, where it focuses its review on a particular procurement activity or responsibility.
- Contracting Certification Program - The Office of Procurement is preparing its contracting professionals for the challenges of the future through a career development program that includes education requirements, developmental assignments, and mandatory procurement training that consists of three levels of courses. Successful completion of Levels I and II, as well as meeting the education requirement, is required before a GS-1102 can be promoted above grade 12. A database of the training classes completed by all of the Agency's GS-1102's is maintained in the Office of Procurement.

VI. MAJOR FUNCTIONAL INITIATIVES

- Performance-Based Contracting - Performance-based contracting (PBC) means structuring all aspects of an acquisition around the purpose of the work to be performed, describing "what" the required output is as opposed to "how" the work is to be accomplished. Since the start of the PBC initiative in spring, 1995, NASA has striven to use PBC in its acquisitions to the maximum extent practicable. The Agency should derive significant benefit from PBC by needing to apply fewer resources—staffing and/or costs—to its projects and programs. A key element of this PBC initiative is an assessment of the progress the Agency has made in implementing PBC.

- Risk-Based Acquisition Management - This initiative seeks to integrate risk management principles (including safety, security, health, cost, schedule, technical, and unintended technology transfer) throughout the acquisition process, thereby reducing the incidence and severity of unforeseen programmatic events. The implications of programmatic risk will be considered when developing the acquisition strategy, selecting sources, choosing contract type, structuring fee incentives, and conducting contractor surveillance. The Office of Procurement will support this initiative by embedding these principles into the acquisition regulations and indoctrinating and training the entire acquisition community.
- Re-engineering of Grants and Agreements - The goal of this initiative is to develop and implement more effective and efficient guidance and processes for grants and cooperative agreements, NASA Research Announcements, and Announcements of Opportunity and to, where possible, streamline them. These improvements should save time and money for NASA as well as its science and industry partners.
- NASA Contracting Intern Program (NCIP) - In order to address a very high contracting workforce attrition rate over the next few years, the NCIP was started in fiscal year 1999. It is a two-phase recruitment/employment effort that consists of a two to three year cooperative education program for college sophomores and juniors followed by a two-year internship after graduation. The program includes an orientation session, formal training courses taken as a group, mentoring, and a change in Center assignment upon conversion to an intern.
- Consolidated Contracting Initiative (CCI) - CCI emphasizes developing contracts, whenever appropriate, that can be used by other procurement offices within NASA and by other government agencies; and using existing contracts to the maximum extent to satisfy Agency requirements. The goals of CCI are to reduce contracting personnel's time, and their customers' time, spent on acquisition-related tasks; shorten acquisition lead times, thereby meeting customers' needs faster; minimize redundant contracts across the Agency; save money by consolidating requirements; reduce closeout backlog; and improve cooperation across NASA and with other government agencies.

VII. TOOLS

- Virtual Procurement Office (VPO) - VPO is an internal interface between operational procurement people at NASA and the vast array of regulations and tools available on the Internet to facilitate the acquisition process. The key elements of VPO are the acquisition regulations needed to accomplish the procurement function; build tools to assist in developing commonly used

forms, letters, memos, and applications; and sample documents properly completed to serve as guides.

- Nontraditional performance incentives, such as Award Term Contracting - Motivating contractors to excellent performance through the use of innovative performance incentives is an important tool in helping the Agency successfully execute its mission through its contractors. Award Term Contracting, as one example, motivates contractors by extending the term of the contract in return for excellent performance. This departure from the traditional government reward mechanism of fee/profit is consistent with commercial, private sector practice where a continuing relationship (as well as profit) is a prime motivator.
- Various electronic acquisition activities - The Office of Procurement is identifying and developing new and creative ways to use the Internet for rapid, low-cost, and reliable delivery of procurement information to a broad audience, especially small and small disadvantaged businesses. Examples of recently developed procurement tools are the "Electronic Posting System" (which includes an automatic e-mail notification service for companies of NASA business opportunities) and the "Financial and Contractual Status On-Line Query System" (which provides users, both inside and outside the Agency, with data on all NASA contracts, grants, space act agreements or cooperative agreements, and any purchase order with a value greater than \$25,000 awarded or modified during a particular fiscal year). NASA's Acquisition Internet Service (NAIS), which is managed out of the Office of Procurement, is responsible for these, and many other, procurement tools. NAIS is located at <http://procurement>